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**Congress of the United States**  
**U.S. House of Representatives**  
**COMMITTEE ON WAYS AND MEANS**  
WASHINGTON, DC 20515

**SUBCOMMITTEE ON HEALTH**

May 23, 2008

Kathleen M. King  
Director  
Health Care  
U.S. Government Accountability Office  
441 G. Street, NW  
Washington, DC 20548

Dear Ms. King:

**As a follow up to the Ways and Means Health Subcommittee Hearing on DME Competitive Bidding on Tuesday, May 6, 2008; please respond to the following Questions for the Record.**

**Questions from Rep. Sam Johnson**

- (1) In your testimony you say that adequate oversight of competitive bidding is critical. Does GAO have specific recommendations on what oversight is needed to ensure continued access and quality to beneficiaries?



GAO

Accountability \* Integrity \* Reliability

United States Government Accountability Office  
Washington, DC 20548

June 9, 2008

The Honorable Pete Stark  
Chairman  
The Honorable Dave Camp  
Ranking Member  
Subcommittee on Health  
Committee on Ways and Means  
House of Representatives

The Honorable Sam Johnson  
House of Representatives

Subject: Follow-up Question for the Hearing Record

After the May 6, 2008 House Ways and Means Health Subcommittee hearing on durable medical equipment competitive bidding, GAO was asked whether it had specific recommendations on what oversight is needed to ensure continued access and quality to Medicare beneficiaries. It was also noted that we had stated in our testimony before the Subcommittee that adequate oversight of competitive bidding is critical.

Adequate oversight of CMS's competitive bidding program (CBP) is needed to ensure that Medicare beneficiaries have continued access to quality durable medical items and supplies and that the process for selecting winning bidders is transparent and ensures supplier choice. As required by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, GAO will review and report on CBP's impact on suppliers and manufacturers and its effect on quality and access for beneficiaries. Because our work is ongoing, we do not have specific recommendations at this time.

CMS agreed with the recommendation from our 2004 report to monitor beneficiary satisfaction, which can be used as a tool to help ensure that beneficiaries continue to have access to quality medical items and services under the CBP. CMS has plans to survey beneficiaries to measure their level of satisfaction with the services they received before the program began and after the program is operational. CMS also plans to track the number of CBP questions and requests for information that are received through the 1-800-MEDICARE help line and the State Health Insurance Assistance Programs. We also stated in our 2004 report that selecting winning suppliers based on quality measures, in addition to the dollar amounts of their bids, is a way for CMS to ensure that beneficiaries have access to quality medical items and services.

Kathleen M. King  
Director, Health Care